

SENATE BILL 605

Q2

4r2008
CF 4r2012

By: **Senator Edwards**

Introduced and read first time: January 30, 2014

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax Credit – Upper Stories of Commercial Structures –**
3 **Rehabilitation**

4 FOR the purpose of authorizing the governing body of Baltimore City, a county, or a
5 municipal corporation to provide a property tax credit against the county or
6 municipal corporation property tax imposed on an existing commercial
7 structure in which a certain investment is made to allow for adaptive reuse of
8 the upper stories of the structure; providing for the amount and duration of the
9 tax credit; authorizing the governing body of Baltimore City, a county, or a
10 municipal corporation to provide for certain matters relating to the tax credit;
11 defining a certain term; providing for the application of this Act; and generally
12 relating to a property tax credit for rehabilitation of the upper stories of existing
13 commercial structures.

14 BY adding to
15 Article – Tax – Property
16 Section 9–256
17 Annotated Code of Maryland
18 (2012 Replacement Volume and 2013 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
20 MARYLAND, That the Laws of Maryland read as follows:

21 **Article – Tax – Property**

22 **9–256.**

23 **(A) (1) IN THIS SECTION, “QUALIFYING INVESTMENT” MEANS THE**
24 **COST OF INSTALLATION OR REHABILITATION OF BUILDING FEATURES FOR THE**
25 **PURPOSE OF BRINGING AN UPPER STORY OF AN EXISTING COMMERCIAL**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 STRUCTURE INTO COMPLIANCE WITH CURRENT BUILDING CODES RELATING TO
2 SAFETY OR ACCESSIBILITY.

3 (2) "QUALIFYING INVESTMENT" INCLUDES COSTS INCURRED
4 FOR:

5 (I) ELEVATORS;

6 (II) FIRE SUPPRESSION SYSTEMS;

7 (III) MEANS OF INGRESS OR EGRESS; OR

8 (IV) ARCHITECTURAL OR ENGINEERING SERVICES RELATED
9 TO INSTALLATION OR REHABILITATION OF THESE OR SIMILAR BUILDING
10 FEATURES.

11 (B) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE
12 GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY GRANT, BY
13 LAW, A PROPERTY TAX CREDIT UNDER THIS SECTION AGAINST THE COUNTY OR
14 MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON AN EXISTING
15 COMMERCIAL STRUCTURE IN WHICH A QUALIFYING INVESTMENT IS MADE FOR
16 THE PURPOSE OF ALLOWING FOR ADAPTIVE REUSE OF THE UPPER STORIES OF
17 THE STRUCTURE.

18 (C) THE TAX CREDIT UNDER THIS SECTION SHALL BE:

19 (1) EQUAL TO 50% OF THE AMOUNT OF QUALIFYING INVESTMENT
20 IN A STRUCTURE; AND

21 (2) GRANTED FOR A 10-YEAR PERIOD IN AN EQUAL AMOUNT
22 EACH YEAR.

23 (D) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE
24 GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY PROVIDE,
25 BY LAW, FOR:

26 (1) THE SALE OF THE TAX CREDIT UNDER THIS SECTION BY THE
27 ORIGINAL RECIPIENT OF THE CREDIT TO ANOTHER PERSON MAKING A
28 QUALIFYING INVESTMENT IN AN EXISTING COMMERCIAL STRUCTURE IN THE
29 SAME COUNTY OR MUNICIPALITY;

30 (2) THE MAXIMUM AMOUNT OF THE TAX CREDIT THAT MAY BE
31 PROVIDED TO A SINGLE RECIPIENT OR ALL RECIPIENTS IN A TAXABLE YEAR;

1 **(3) ADDITIONAL ELIGIBILITY CRITERIA FOR THE TAX CREDIT;**

2 **(4) REGULATIONS AND PROCEDURES FOR THE APPLICATION AND**
3 **UNIFORM PROCESSING OF REQUESTS FOR THE TAX CREDIT; AND**

4 **(5) ANY OTHER PROVISION NECESSARY TO CARRY OUT THE TAX**
5 **CREDIT.**

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
7 June 1, 2014, and shall be applicable to all taxable years beginning after June 30,
8 2014.